

CASE STUDY: PITNEY BOWES

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When changes are made at the U.S. Postal Service, business booms at Stamford, Conn.-based Pitney Bowes. Its core business is devoted to hardware and software for mailing systems, and any adjustments to postal rates typically set off a flurry of activity for the company's customer service department.

A postal rate increase in 2007 provided a true test. Pitney Bowes representatives received a whopping 430,000 phone support calls in a six-week period in addition to the typical daily phone support traffic, says Mike Hardy, the company's eCommerce manager. So when postal costs were slated to rise again in 2008, Pitney Bowes officials turned to social media to stem the upcoming tide of service questions and requests. Hardy led an effort to create an online user forum for Pitney Bowes customers on the company website.

The forum was launched six weeks before the 2008 rate change took effect, and the response "was tremendous," Hardy says. Customer traffic was 10 times greater than normal rates, and one basic message – "How to update rates on your equipment" – was viewed more than 39,000 times.

"Forums provide a great lever for multiplying the effort of support resources," Hardy says. "When a support rep answers a question, it's not a 'one-to-one' – a single answer can reach thousands. In addition, forums often provide peer-to-peer support. Those with experience provide answers to newcomers."

Hardy cites the book "Groundswell," written by Charlene Li and Josh Bernoff of Forrester Research, as proof positive that the forum experiment has paid off at Pitney Bowes. One segment of the book, which examines the effect social technologies have had on transforming the workplace, calculates the time and resources saved by using online forums. Li and Bernoff estimate that if an online post represents a direct answer to a specific question, the original answer – as well as one out of every five people who view that answer – represents a "deflected" support phone call.

Each message on the Pitney Bowes forum was viewed an average of 750 times during the one-month postal service rate change period in 2008. There were a total of 500,000 message views during the month, and it allowed customer service call representatives to handle plenty of other business during that time. Hardy says the savings from deflected support calls returned the entire first-year investment on the online forum effort.

"While rate change periods, which usually happen once or twice a year, continue to drive much higher traffic rates," Hardy says, "we continue to have steady traffic around support issues. Currently, we have 10,000 (online) visitors a month. It only takes a part-time effort from one support rep to provide answers when other users don't step in."

Considering the success that Pitney Bowes had with the user forum experiment, the company has not hesitated to make social media an integral part of its operations. Pitney Bowes maintains several Twitter accounts for each segment of the business, Hardy says, as well as presences on Facebook, LinkedIn, YouTube and Flickr.

"Our marketing group is making sure there is a coherent social media strategy baked into every campaign," Hardy says. "It's a growing force in both support and marketing."